THE MANITOBA ECONOMY

PRELIMINARY 2003 PERFORMANCE

MANITOBA
BUREAU OF STATISTICS

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REPORT #4A

PRICE: $100.00

FEBRUARY 16, 2004

Manitoba Bureau of Statistics

HIGHLIGHTS:

PRELIMINARY MANITOBA GROSS DOMESTIC PRODUCT ESTIMATES FOR 2003

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- The Manitoba Bureau of Statistics (MBS) preliminary estimates show that the **Manitoba economy will expand by 1.9% in 2003** down marginally from the 2.3% real growth in 2002. The 1.9% growth rate for 2003 is a slight upward revision from the October projection of 1.8% real growth.

- **Manitoba's 1.9% real growth in 2003 is above the Canadian projected average growth rate of 1.8%** reported by the private sector forecasting agencies.

- **The provincial economy will generate a record $34.7 billion of real market price (includes taxes) expenditures in 2003**. The expenditures are boosted by business investments, especially in residential structures.

- **In current dollar terms, GDP at market prices is estimated to grow by 4.0% in 2003 to $38.5 billion** up from $37.0 billion in 2002.

- With the strongest population growth since 1986 coupled with relatively low interest rates, **domestic demand is expected to grow by 3.3% in 2003 up from 2.2% in 2002.** The growth in 2003 is the strongest performance since 1999.

- **Personal spending on consumer goods and services is estimated to grow by 2.2% in 2003 while business investments are projected to expand by 7.6%.** For the third consecutive year, business investments are led by spending on residential construction projects. In 2003, total investments in residential structures are estimated to grow by 8.1% down from 13.8% and 8.6% in 2002 and 2001 respectively.

- **The Canadian dollar appreciated by $.08 (against the U.S. dollar) through 2003 to $0.714 US up from $0.637 US in 2002.** The $0.08 jump is the largest increase since 1934 when the dollar appreciated by $0.09. The rapidly appreciating Canadian currency has helped lower prices in Manitoba.

- The stronger currency is expected to increase imports of a broad range of items, including machinery and equipment, building materials and automotive parts. For 2003, **total real import levels are projected to grow by 2.7% up from 1.3% in 2002.** Higher real imports lowered Manitoba's GDP growth in 2003. On the other hand, it does signify that the province has been generating higher incomes to sustain these expenditures. Import purchases create value added in the wholesale and retail sectors.

- **Total real exports are projected to fall by 1.3% in 2003 following a 0.8% increase in 2002.** International exports are projected to decrease by 5.8% while inter-provincial exports are expected to grow by 3.0%. Several major domestic and international events influenced Manitoba's exports in 2003. The stronger dollar has had a dampening effect on exports of goods and services. Low rainfall significantly reduced hydroelectric generation and exports by over 20% in 2003. Weak industrial demand for nickel on a global basis has substantially reduced metal exports.

- Agricultural trade has been affected by global trade restrictions following the discovery of Bovine Spongiform Encephalopathy (BSE) disease and by the imposition of the 14.15% US tariffs on Canadian wheat. In 2003, live bovine exports to the US declined by 61.0% or $166.6 million while wheat shipments to the US are estimated to decline by over 90% in 2003. These factors have had negative financial implications for Manitoba farmers. A significant increase in government and other direct program payments to farmers should provide some relief to Manitoba producers. Livestock receipts are expected to drop by almost $123 million in 2003 and crop receipts are projected to decrease by almost 8% in 2003. Consequently, **total farm cash receipts are projected to decline 5.5%** from last year to $3.6 billion.

- **Accrued net farm income is projected to decline to $372 million** in 2003, a decrease of $48 million from the revised 2002 level of $420 million. Accrued net farm income provides only part of the story when measuring farm income. Net cash income (receipts minus expenses), which represents cash on hand, is down by $330 million or 36.7%. Operating expenses are estimated to increase by 4.1% in 2003.

- According to Statistics Canada, Manitoba labour market activity was slow in 2003. Employment grew by only 0.3% or 1,700 new jobs, the lowest increase since 1996. As a result, **wages, salaries and supplementary labour income is projected to increase 3.5% in 2003** following a 4.5% gain in 2002. The 2003 growth rate is slightly below the four-year average of 4.3%. Industry sectors that are projected to show solid labour income growth are the construction, trade, military and health care.

- **Unincorporated business income**, which includes earnings from independent business (e.g. contractors, lawyers and corner stores) as well as imputed rent, is **expected to grow by 6.2% in 2003.** Last year, low interest rates continued to dampen personal interest and dividend income from deposit savings, trusted pension income and other interest bearing assets.

- With investment income and accrued farm income declining, **personal income growth will be limited to 3.0% this year. Personal disposable income** (personal income minus transfers to government) **is estimated to increase by 3.1%**. The modest growth in income will mark a record level for discretionary income in the province at $24.5 billion in 2003.

- In the industrial accounts, **real Manitoba's GDP at basic prices is projected to increase by 1.9% in 2003** slightly lower than the 2.3% growth in 2002.

- **The manufacturing sector, which accounts for about 12.7% of industrial production in the province, is expected to accelerate to 2.3% in 2003** up from 1.9% in 2002. Chemical products output is expected to turn around after contracting last year, while fabricated metal output is projected to pick up pace in 2003.

- Buoyed by a surge in housing starts the **construction sector is expected to grow by 7.2% this year.** For the first time since 1989, the province is set to surpass 4,200 housing starts in 2003. Residential repair and renovation activity also continues at a torrent pace. In the non-residential construction sector, some of the larger institutional and commercial projects include the True North Entertainment Complex, the engineering building at the University of Manitoba and the new bridge across the Red River.

- Despite the BSE situation, **real agricultural GDP output is up 4.7 % in 2003**. Wheat production in 2003 increased by 24.1% while barley production was up 16.7%. In 2002 and 2003 canola production rose by 26.0%. Both cattle and hog production on local farms has also increased this year. Since real GDP is measured in 1997 prices the increased volumes add value to the sector.

- The recent increase in sales of new and resale homes has helped maintain the finance, insurance, real estate and leasing sector at 3.3% in 2003. With over 4,200 new homes constructed in 2003, imputed rent is expected accelerate in 2003.

NOTE TO USERS

In November 2003, Statistics Canada published Provincial Economic Accounts data for 2002. The data release included four-year revisions to the provincial Economic Accounts series. The extent of the revisions on GDP estimates varies from little or no adjustments to relatively large shifts in some data series. MBS has been and will continue to work with Statistics Canada to minimize the impact of revisions on Manitoba's GDP accounts.

Real GDP Growth	1998	1999	2000	2001	2002	2003 Preliminary
MBS February 11, 2004 Release	4.1%	1.6%	4.5%	1.3%	2.3%	1.9%
MBS October 30, 2003 Release	4.3%	1.7%	3.6%	1.3%	2.0%	1.8%
Percent Difference	-0.2%	-0.1%	0.9%	0.0%	0.3%	0.1%

The current MBS Manitoba Economic Accounts data release incorporates the revised and new information. The changes affect both the level and growth rates of expenditures and income in Manitoba from 1999 to 2002. Also incorporated in this publication are the inter-census farm revisions from 1991 forward. These revisions account for the changes in 1997 and 1998.

The above table shows the revision to the MBS data in percentage terms. The revisions to real GDP growth have been marginal with the exception of the 0.9% increase in 2000. This change was due to an increase of $166 million in government expenditure and revisions to the trade data. Exports from Manitoba were increased by $330 million, while imports were increased by $139 million. These changes resulted from incorporating new data received from Statistics Canada.

Details on the revisions for all key expenditure components are provided in Table 9. The net effects of changes to the expenditure components were an overall real GDP increase of $173 million in 1999, $92 million in 2000, $302 million increase in 2001, $247 million in 2002 and $315 million in 2003.

Estimates for 2003 GDP expenditure, income and farm reconciliation are provided in this publication. The estimates are based on detailed year to date survey information on a variety of economic data that is monitored by MBS. For the remaining months of the year, trend projections are generated using a macro economic model. These projections provide advance information on the direction and trends in the Manitoba economy in the current year.

The MBS estimates differ from the average of the major private sector provincial forecasts (consensus forecast) monitored by Manitoba Finance. Currently, the consensus forecast estimates real growth in 2003 at 2.0%, while the corresponding MBS estimate is 1.9%. On the nominal accounts, the consensus projects 5.0% growth compared with MBS's 4.0%.

GDP Preliminary Estimates For 2003	Real GDP Growth	Nominal GDP Growth
MBS February 11, 2004 Release	1.9%	4.0%
Consensus Forecast	2.0%	5.0%
Percent Difference	-0.1%	-1.0%

MBS is estimating slightly lower growth in real income and significantly less implicit inflation.

For more information on this publication please contact **Earl Turnbull** at (204) 945-2995. (eturnbull@mbs.gov.mb.ca), or **Narendra Budhia** at (204) 945-2430. (nbudhia@mbs.gov.mb.ca)

GRAPHICAL SUMMARY

(1) GDP at Market Prices, Chained 1997 Dollars

(2) Final Domestic Demand, Chained 1997 Dollars

(3) Personal Expenditure, Chained 1997 Dollars

(4) Government Expenditure, Chained 1997 Dollars

(5) Business Expenditure, Chained 1997 Dollars

(6) Total Exports, Chained 1997 Dollars

(7) International Exports, Chained 1997 Dollars

(8) Total Imports, Chained 1997 Dollars

(9) International Imports, Chained 1997 Dollars

(10) Labour Income, Current Dollars

(11) Accrued Net Farm Income, Current Dollars

(12) Personal Disposable Income, Current Dollars

TABLE SUMMARY

(1) Manitoba Gross Domestic Product, expenditure-based in Chained $1997

(2) Manitoba Gross Domestic Product, expenditure-based in Current Dollars

(3) Manitoba Gross Domestic Product, income-based in Current Dollars

(4) Manitoba Personal Income, sources and disposition in Current Dollars

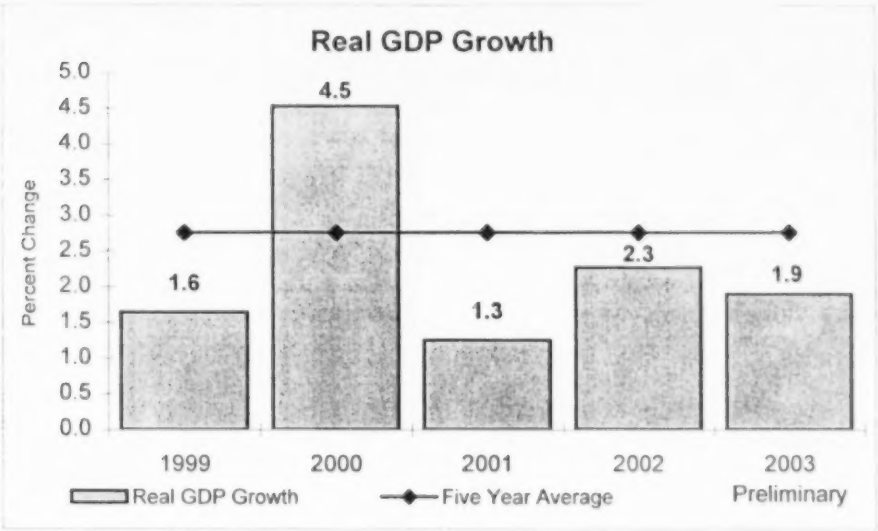
(5) Manitoba Farm Income, reconciliation in Current Dollars

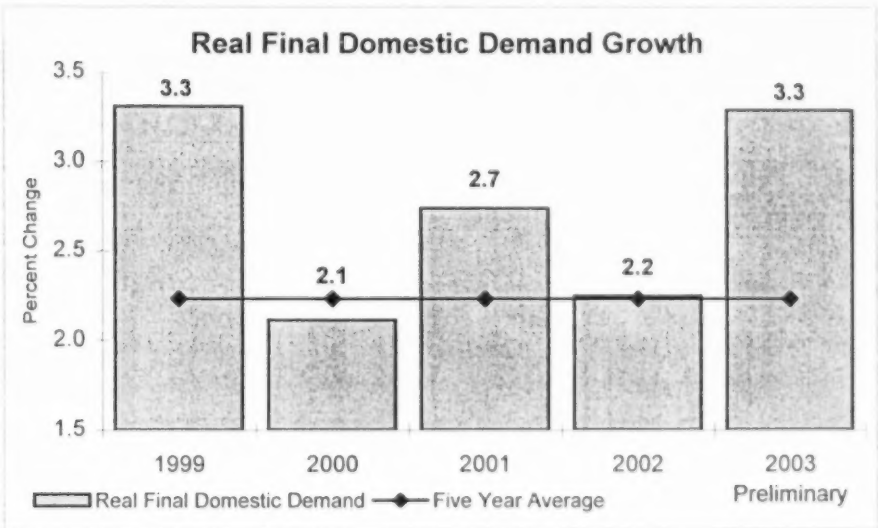
(6) Manitoba Price Indexes (1997 = 100)

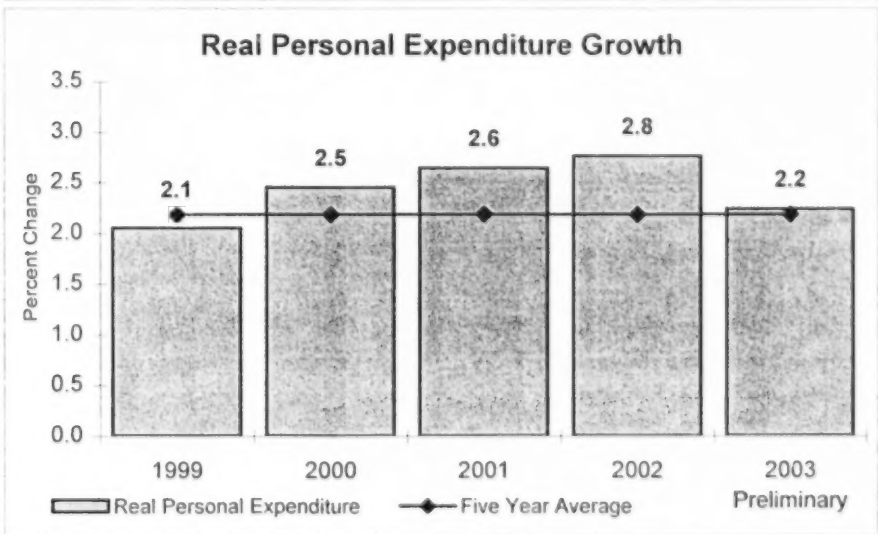
(7) Gross Domestic Product, by Industry in $1997 Prices

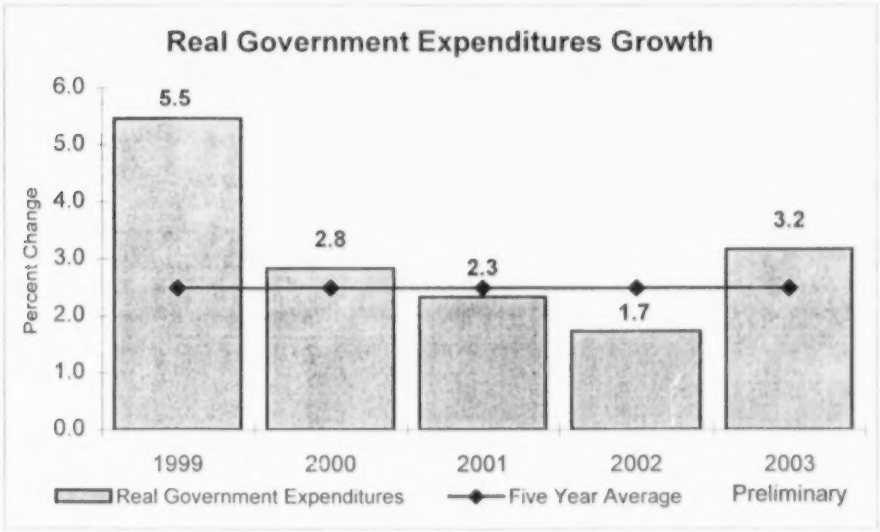
(8) Gross Domestic Product by Industry, Industrial Share

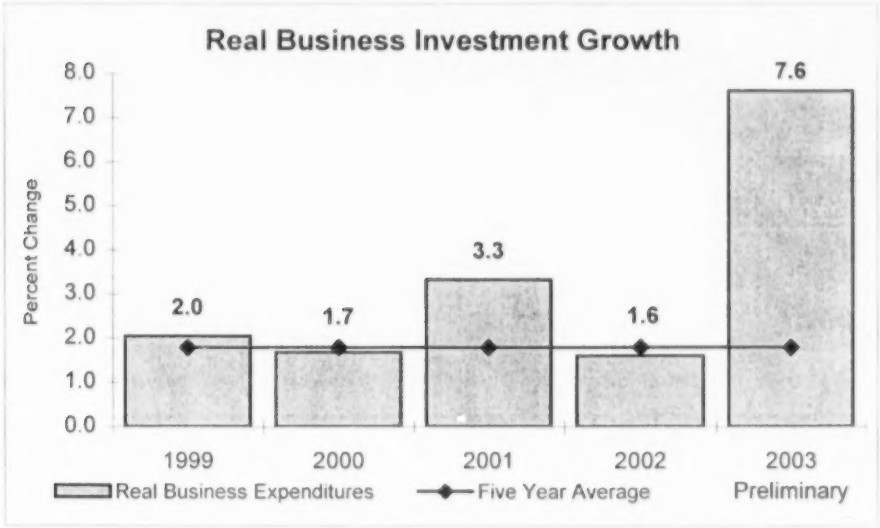
(9) Comparison Between October 2003 and February 2004 Publications, Gross Domestic Product, expenditure-based in Chained $1997

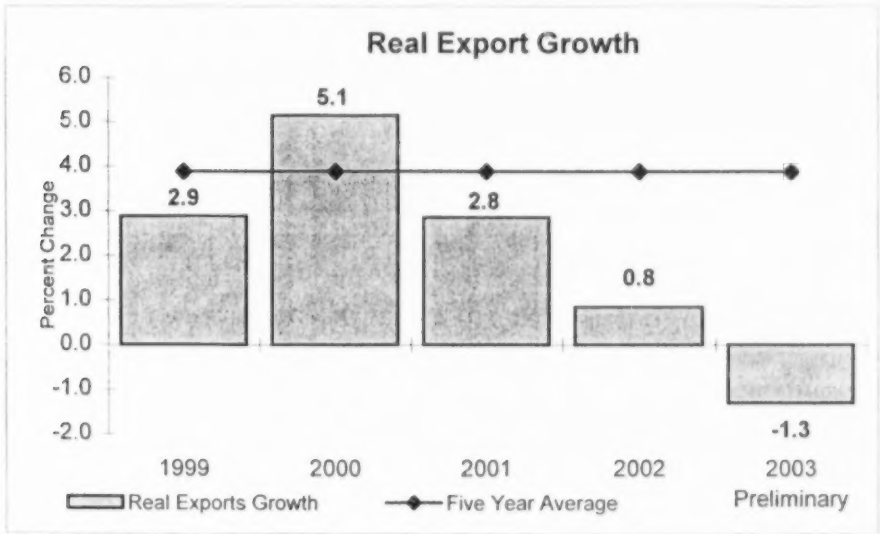

Real GDP Growth
Percent Change
5.0
4.5
4.0
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
1.6
4.5
1.3
2.3
1.9
1999
2000
2001
2002
2003
Preliminary
Real GDP Growth
Five Year Average


Real Final Domestic Demand Growth
Percent Change
3.5
3.0
2.5
2.0
1.5
3.3
2.1
2.7
2.2
3.3
1999
2000
2001
2002
2003
Preliminary
Real Final Domestic Demand
Five Year Average

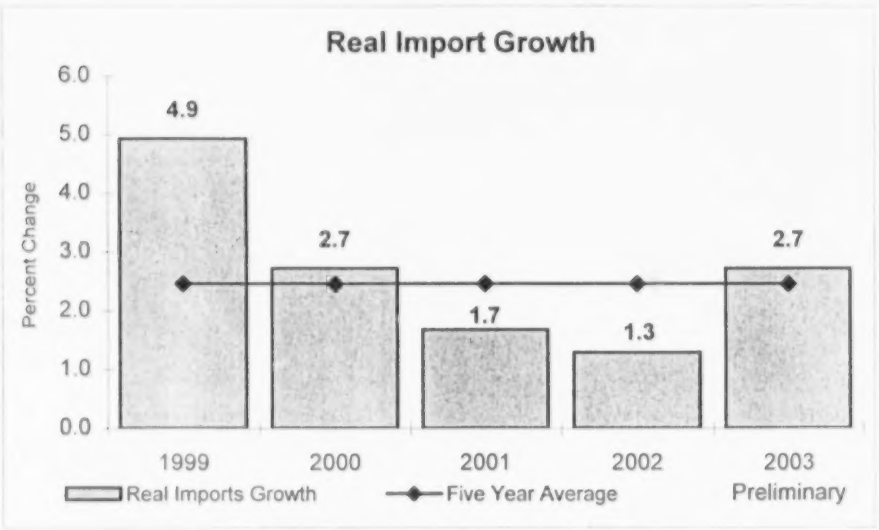

Real Personal Expenditure Growth
Percent Change
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
2.1
2.5
2.6
2.8
2.2
1999
2000
2001
2002
2003
Preliminary
Real Personal Expenditure
Five Year Average


Real Government Expenditures Growth
Percent Change
6.0
5.0
4.0
3.0
2.0
1.0
0.0
5.5
2.8
2.3
1.7
3.2
1999
2000
2001
2002
2003
Preliminary
Real Government Expenditures
Five Year Average

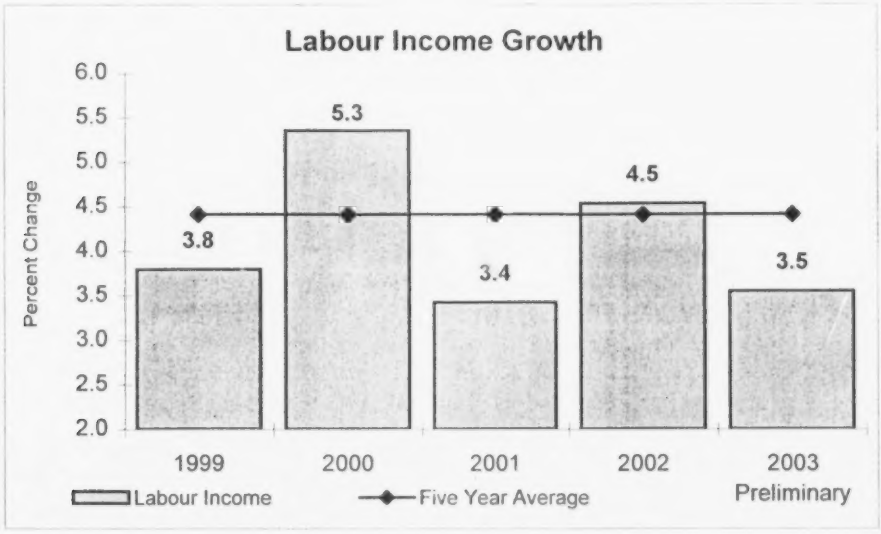

Real Business Investment Growth
Percent Change
8.0
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
2.0
1.7
3.3
1.6
7.6
1999
2000
2001
2002
2003
Preliminary
Real Business Expenditures
Five Year Average

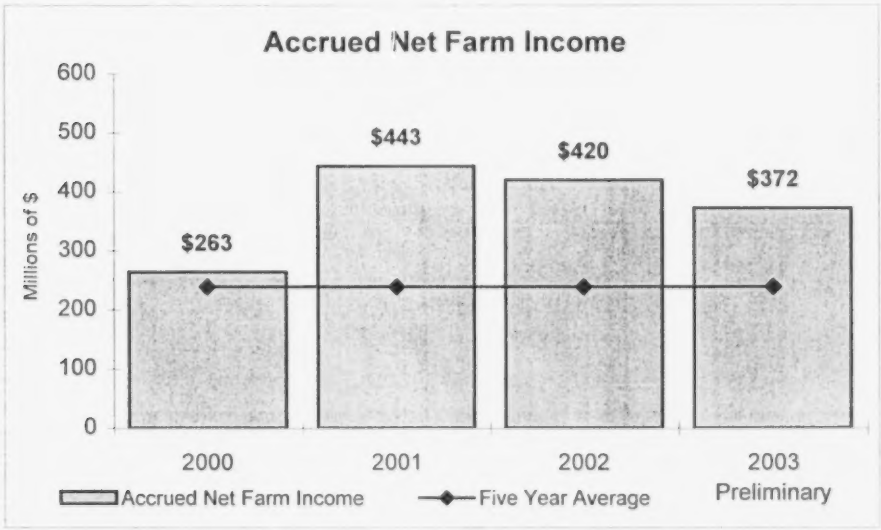

Real Export Growth
Percent Change
6.0
5.0
4.0
3.0
2.0
1.0
0.0
-1.0
-2.0
2.9
5.1
2.8
0.8
-1.3
1999
2000
2001
2002
2003
Preliminary
Real Exports Growth
Five Year Average

Real International Exports Growth
7.0
5.0
3.0
1.0
-1.0
-3.0
-5.0
-7.0
Percent Change
5.1
4.9
-0.6
-2.4
-5.8
1999
2000
2001
2002
2003
Preliminary
Real International Exports Growth
Five Year Average


Real Import Growth
6.0
5.0
4.0
3.0
2.0
1.0
0.0
Percent Change
4.9
2.7
1.7
1.3
2.7
1999
2000
2001
2002
2003
Preliminary
Real Imports Growth
Five Year Average

Real International Imports Growth
5.0
4.5
4.0
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
Percent Change
4.4
2.7
1.6
1.1
0.8
1999
2000
2001
2002
2003
Preliminary
Real International Imports Growth
Five Year Average


Labour Income Growth
Percent Change
6.0
5.5
5.0
4.5
4.0
3.5
3.0
2.5
2.0
5.3
4.5
3.8
3.4
3.5
1999
2000
2001
2002
2003
Preliminary
Labour Income
Five Year Average


Accrued Net Farm Income
Millions of $
600
500
400
300
200
100
0
$443
$420
$372
$263
2000
2001
2002
2003
Preliminary
Accrued Net Farm Income
Five Year Average

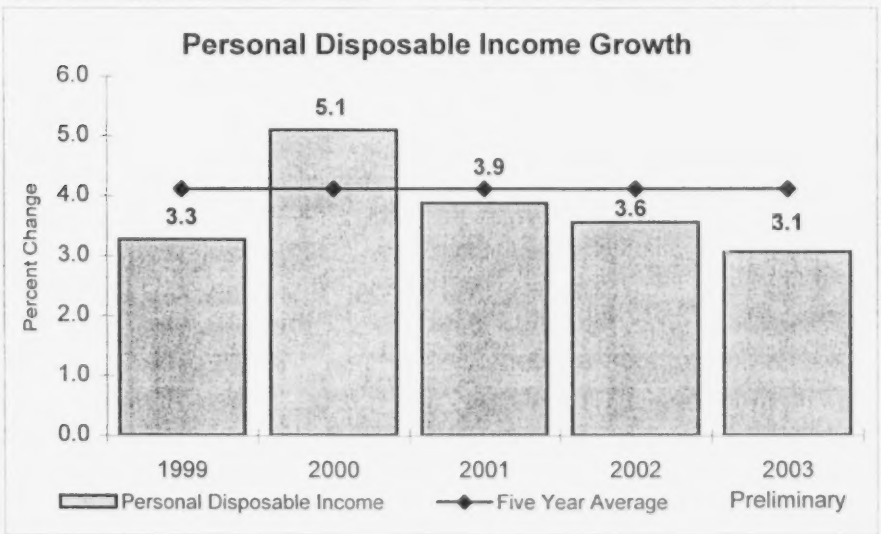

Personal Disposable Income Growth
Percent Change
6.0
5.0
4.0
3.0
2.0
1.0
0.0
5.1
3.9
3.3
3.6
3.1
1999
2000
2001
2002
2003
Preliminary
Personal Disposable Income
Five Year Average

TABLE 1

REAL MANITOBA GROSS DOMESTIC PRODUCT
EXPENDITURE-BASED
1997 - 2003

	1997	1998	1999	2000	2001	2002	2003 Preliminary
			(MILLIONS OF CHAINED 1997 DOLLARS)				
PERSONAL EXPENDITURE	18,622	18,813	19,199	19,669	20,189	20,747	21,212
		1.0	2.1	2.5	2.6	2.8	2.2
GOVERNMENT EXPENDITURE	6,692	6,698	7,064	7,263	7,432	7,560	7,800
		0.1	5.5	2.8	2.3	1.7	3.2
GOVERNMENT INVESTMENT IN CAPITAL	592	614	789	708	748	731	768
		3.8	28.4	-10.3	5.7	-2.3	5.1
STRUCTURES	410	438	539	436	473	473	498
		6.8	23.2	-19.2	8.6	0.0	5.2
MACHINERY AND EQUIPMENT	182	176	251	280	281	261	273
		-3.1	42.1	11.5	0.5	-7.0	4.7
GOVERNMENT INVESTMENT IN INVENTORIES	0	-1	0	1	0	-2	-2
BUSINESS INVESTMENT	4,789	4,803	4,902	4,984	5,149	5,232	5,629
		0.3	2.0	1.7	3.3	1.6	7.6
RESIDENTIAL STRUCTURES	1,056	1,046	992	1,026	1,114	1,267	1,370
		-1.0	-5.1	3.4	8.6	13.8	8.1
NON-RESIDENTIAL STRUCTURES	1,441	1,528	1,335	1,124	1,246	1,193	1,247
		6.0	-12.6	-15.8	10.9	-4.3	4.5
MACHINERY AND EQUIPMENT	2,293	2,230	2,581	2,856	2,800	2,779	3,026
		-2.7	15.8	10.7	-2.0	-0.7	8.9
BUSINESS INVESTMENT IN INVENTORIES	380	349	199	529	-260	61	277
NON-FARM	584	268	179	268	-179	135	129
FARM	-204	80	14	269	-79	-81	140
EXPORTS OF GOODS AND SERVICES	17,697	19,060	19,609	20,615	21,202	21,381	21,102
		7.7	2.9	5.1	2.8	0.8	-1.3
EXPORTS TO OTHER COUNTRIES	8,885	9,702	9,641	10,131	10,631	10,372	9,770
		9.2	-0.6	5.1	4.9	-2.4	-5.8
EXPORTS TO OTHER PROVINCES	8,812	9,357	9,968	10,485	10,567	11,012	11,346
		6.2	6.5	5.2	0.8	4.2	3.0
DEDUCT: IMPORTS OF GOODS AND SERVICES	19,020	19,343	20,296	20,848	21,196	21,468	22,052
		1.7	4.9	2.7	1.7	1.3	2.7
IMPORTS FROM OTHER COUNTRIES	9,271	9,559	9,669	9,926	10,009	10,166	10,614
		3.1	1.1	2.7	0.8	1.6	4.4
IMPORTS FROM OTHER PROVINCES	9,749	9,781	10,633	10,928	11,191	11,306	11,448
		0.3	8.7	2.8	2.4	1.0	1.3
STATISTICAL DISCREPANCY	-36	-55	-14	-44	22	-205	-89
REAL GDP AT MARKET PRICES	**29,716**	**30,934**	**31,442**	**32,866**	**33,277**	**34,031**	**34,676**
		4.1	1.6	4.5	1.3	2.3	1.9
REAL FINAL DOMESTIC DEMAND	30,696	30,928	31,951	32,626	33,519	34,272	35,399
		0.8	3.3	2.1	2.7	2.2	3.3

MANITOBA BUREAU OF STATISTICS
February, 2004

TABLE 2

MANITOBA GROSS DOMESTIC PRODUCT
EXPENDITURE-BASED
1997 - 2003

	1997	1998	1999	2000	2001	2002	2003 Preliminary
			(MILLIONS OF CURRENT DOLLARS)				
PERSONAL EXPENDITURE	18,622	19,022	19,776	20,657	21,659	22,709	23,645
		2.1	4.0	4.5	4.9	4.8	4.1
GOVERNMENT EXPENDITURE	6,692	6,814	7,326	7,820	8,095	8,434	8,860
		1.8	7.5	6.7	3.5	4.2	5.0
GOVERNMENT INVESTMENT IN CAPITAL	592	618	790	727	773	762	799
		4.4	27.8	-8.0	6.3	-1.4	4.8
STRUCTURES	410	444	555	470	518	528	552
		8.3	25.1	-15.4	10.3	1.9	4.4
MACHINERY AND EQUIPMENT	182	175	235	258	255	234	247
		-4.2	34.6	9.7	-1.0	-8.2	5.6
GOVERNMENT INVESTMENT IN INVENTORIES	0	-1	0	1	0	0	-2
BUSINESS INVESTMENT	4,789	4,898	4,972	5,086	5,348	5,510	5,850
		2.3	1.5	2.3	5.1	3.0	6.2
RESIDENTIAL STRUCTURES	1,056	1,054	1,020	1,076	1,197	1,380	1,546
		-0.2	-3.2	5.5	11.2	15.3	12.0
NON-RESIDENTIAL STRUCTURES	1,441	1,562	1,393	1,207	1,369	1,343	1,430
		8.4	-10.8	-13.4	13.4	-1.9	6.5
MACHINERY AND EQUIPMENT	2,293	2,282	2,559	2,803	2,782	2,787	2,874
		-0.5	12.1	9.6	-0.8	0.2	3.1
BUSINESS INVESTMENT IN INVENTORIES	380	257	221	506	-213	-22	159
NON-FARM	584	333	368	356	-135	151	133
FARM	-204	-76	-147	150	-78	-173	26
EXPORTS OF GOODS AND SERVICES	17,697	19,028	19,630	21,448	22,468	23,147	22,773
		7.5	3.2	9.3	4.8	3.0	-1.6
EXPORTS TO OTHER COUNTRIES	8,885	9,711	9,627	10,610	11,381	11,349	10,646
		9.3	-0.9	10.2	7.3	-0.3	-6.2
EXPORTS TO OTHER PROVINCES	8,812	9,317	10,003	10,838	11,087	11,798	12,127
		5.7	7.4	8.3	2.3	6.4	2.8
DEDUCT: IMPORTS OF GOODS AND SERVICES	19,020	19,690	20,776	22,115	22,935	23,320	23,493
		3.5	5.5	6.4	3.7	1.7	0.7
IMPORTS FROM OTHER COUNTRIES	9,271	9,925	9,953	10,329	10,749	10,946	11,059
		7.1	0.3	3.8	4.1	1.8	1.0
IMPORTS FROM OTHER PROVINCES	9,749	9,764	10,823	11,786	12,186	12,375	12,434
		0.2	10.8	8.9	3.4	1.6	0.5
STATISTICAL DISCREPANCY	-36	-55	-15	-46	23	-223	-99
GDP AT MARKET PRICES	**29,716**	**30,892**	**31,925**	**34,085**	**35,219**	**36,997**	**38,491**
		4.0	3.3	6.8	3.3	5.0	4.0
FINAL DOMESTIC DEMAND	30,696	31,353	32,864	34,290	35,875	37,416	39,153
		2.1	4.8	4.3	4.6	4.3	4.6

MANITOBA BUREAU OF STATISTICS
February, 2004

TABLE 3

MANITOBA GROSS DOMESTIC PRODUCT
INCOME-BASED IN CURRENT DOLLARS
1997 - 2003

	1997	1998	1999	2000	2001	2002	2003 Preliminary
				(MILLIONS OF CURRENT DOLLARS)			
WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME	14,939	15,680	16,275	17,146	17,733	18,537	19,195
		5.0	3.8	5.3	3.4	4.5	3.5
CORPORATION PROFITS BEFORE TAXES	2,320	2,392	2,600	3,014	2,980	3,259	3,678
		3.1	8.7	15.9	-1.1	9.4	12.9
INTEREST AND MISCELLANEOUS INVESTMENT INCOME	2,594	2,632	2,702	2,962	3,009	2,783	2,835
		1.5	2.7	9.6	1.6	-7.5	1.9
ACCRUED NET INCOME OF FARM OPERATORS	155	66	1	263	443	420	372
		-57.2	-98.5	26,458.9	68.1	-5.2	-11.4
NET INCOME OF NON-FARM UNINCORPORATED BUSINESS	2,007	2,119	2,209	2,254	2,299	2,477	2,630
		5.6	4.2	2.0	2.0	7.7	6.2
INVENTORY VALUATION ADJUSTMENT	-32	-65	-43	-92	-84	-49	-35
TAXES LESS SUBSIDIES ON FACTORS OF PRODUCTION	1,655	1,716	1,733	1,768	1,746	1,756	1,801
		3.7	1.0	2.0	-1.2	0.6	2.6
NET DOMESTIC PRODUCT AT BASIC PRICES	**23,637**	**24,540**	**25,477**	**27,315**	**28,126**	**29,182**	**30,476**
		3.8	3.8	7.2	3.0	3.8	4.4
TAXES LESS SUBSIDIES ON PRODUCTS	2,260	2,336	2,275	2,342	2,473	2,714	2,732
		3.4	-2.6	2.9	5.6	9.7	0.7
CAPITAL CONSUMPTION ALLOWANCES	3,782	3,961	4,159	4,383	4,644	4,877	5,184
		4.7	5.0	5.4	6.0	5.0	6.3
STATISTICAL DISCREPANCY	36	55	15	46	-23	223	99
GROSS DOMESTIC PRODUCT AT MARKET PRICES	**29,716**	**30,892**	**31,925**	**34,085**	**35,219**	**36,997**	**38,491**
		4.0	3.3	6.8	3.3	5.0	4.0
GROSS DOMESTIC PRODUCT AT BASIC PRICES	27,456	28,556	29,650	31,743	32,746	34,283	35,760
		4.0	3.8	7.1	3.2	4.7	4.3

TABLE 4

MANITOBA PERSONAL INCOME
SOURCES AND DISPOSITION
1997 - 2003

	1997	1998	1999	2000	2001	2002	2003 Preliminary
			(MILLIONS OF CURRENT DOLLARS)				
WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME*	15,016	15,738	16,339	17,209	17,809	18,615	19,276
		4.8	3.8	5.3	3.5	4.5	3.6
ACCRUED NET INCOME OF FARM OPERATORS	155	66	1	263	443	420	372
		-57.2	-98.5	26458.9	68.1	-5.2	-11.4
NET INCOME OF NON-FARM UNINCORPORATED BUSINESS	2,007	2,119	2,209	2,254	2,299	2,477	2,630
		5.6	4.2	2.0	2.0	7.7	6.2
INTEREST, DIVIDENDS AND MISCELLANEOUS INVESTMENT INCOME	3,516	3,605	3,712	3,893	3,855	3,473	3,352
		2.5	3.0	4.9	-1.0	-9.9	-3.5
CURRENT TRANSFERS:							
FROM GOVERNMENT	4,223	4,471	4,460	4,633	4,821	5,035	5,276
		5.9	-0.2	3.9	4.1	4.4	4.8
FROM CORPORATIONS	44	38	43	55	56	59	62
		-13.6	13.2	27.9	1.8	5.4	5.4
FROM NON-RESIDENTS	79	84	85	88	91	96	98
		6.3	1.2	3.5	3.4	5.5	2.1
PERSONAL INCOME	**25,039**	**26,121**	**26,849**	**28,395**	**29,374**	**30,175**	**31,066**
		4.3	2.8	5.8	3.4	2.7	3.0
DEDUCT:							
CURRENT TRANSFERS TO GOVERNMENT	5,572	5,725	5,786	6,259	6,381	6,365	6,528
		2.7	1.1	8.2	1.9	-0.3	2.6
EQUALS:							
PERSONAL DISPOSABLE INCOME	**19,467**	**20,396**	**21,063**	**22,136**	**22,993**	**23,810**	**24,538**
		4.8	3.3	5.1	3.9	3.6	3.1
DEDUCT:							
PERSONAL EXPENDITURE ON CONSUMER GOODS AND SERVICES	18,622	19,022	19,776	20,657	21,659	22,709	23,645
		2.1	4.0	4.5	4.9	4.8	4.1
CURRENT TRANSFERS TO CORPORATIONS	211	244	269	338	352	321	330
		15.6	10.2	25.7	4.1	-8.8	2.8
CURRENT TRANSFERS TO NON-RESIDENTS	50	54	65	66	75	78	81
		8.0	20.4	1.5	13.6	4.0	3.9
EQUALS:							
PERSONAL SAVING	584	1,075	953	1,075	907	701	482
		84.2	-11.4	12.8	-15.7	-22.7	-31.2
PERSONAL SAVINGS RATE	**3.0**	**5.3**	**4.5**	**4.9**	**3.9**	**2.9**	**2.0**

* LABOUR INCOME BASED ON PROVINCE OF RESIDENCE.

TABLE 5

MANITOBA FARM INCOME
RECONCILIATION
1997 - 2003

	1997	1998	1999	2000	2001	2002	2003 Preliminary
			(MILLIONS OF CURRENT DOLLARS)				
TOTAL FARM CASH RECEIPTS	3,036	2,938	2,908	3,151	3,697	3,826	3,615
		-3.2	-1.0	8.3	17.4	3.5	-5.5
CROPS	1,694	1,629	1,401	1,313	1,519	1,884	1,742
		-3.9	-14.0	-6.3	15.8	24.0	-7.6
LIVESTOCK	1,200	1,217	1,291	1,551	1,796	1,723	1,600
		1.4	6.1	20.1	15.8	-4.1	-7.1
DIRECT PAYMENTS	142	92	216	287	382	219	273
		-35.2	134.6	32.9	33.1	-42.7	24.5
MINUS: OPERATING EXPENSES	2,346	2,381	2,376	2,563	2,790	2,928	3,046
		1.5	-0.2	7.9	8.9	4.9	4.1
= NET CASH INCOME	**691**	**557**	**532**	**587**	**907**	**898**	**568**
		-19.4	-4.5	10.4	54.5	-1.0	-36.7
PLUS: INCOME IN KIND	10	9	9	9	9	8	8
		-14.0	-0.4	4.2	-6.9	-4.7	1.2
MINUS: DEPRECIATION CHARGES	357	376	389	387	398	399	399
		5.4	3.3	-0.5	2.8	0.2	0.2
= REALIZED NET INCOME	**344**	**189**	**152**	**209**	**517**	**508**	**177**
		-44.9	-19.9	38.1	147.3	-1.9	-65.1
PLUS: VALUE OF INVENTORY CHANGE	-167	-28	-103	120	5	-38	294
MINUS: AMOUNTS INCLUDED IN OTHER COMPONENTS OF GDP	66	66	30	53	55	39	37
		0.0	-54.5	76.7	3.8	-29.1	-6.4
PLUS: FARM CASH ADJUSTMENTS	36	-34	-32	-1	-13	-7	-51
= NET INCOME RECEIVED BY FARM OPERATORS FROM FARM PRODUCTION	**147**	**61**	**-13**	**274**	**455**	**424**	**384**
		-58.3	-121.3	-2210.2	65.8	-6.9	-9.3
PLUS: ADJUSTMENT ON GRAIN TRANSACTIONS	8	5	14	-11	-12	-4	-12
= ACCRUED NET INCOME OF FARM OPERATORS	**155**	**66**	**1**	**263**	**443**	**420**	**372**
		-57.2	-98.5	26458.9	68.1	-5.2	-11.4

TABLE 6

MANITOBA PRICE INDEXES
(CHAINED 1997 DOLLARS)
1997 - 2003

	1997	1998	1999	2000	2001	2002	2003 Preliminary
PERSONAL EXPENDITURE	100.0	101.1	103.0	105.0	107.3	109.5	111.5
		1.1	1.9	2.0	2.2	2.0	1.8
GOVERNMENT EXPENDITURE	100.0	101.7	103.7	107.7	108.9	111.6	113.6
		1.7	1.9	3.8	1.2	2.4	1.8
GOVERNMENT INVESTMENT IN CAPITAL	100.0	100.6	100.2	102.8	103.3	104.2	104.0
		0.6	-0.5	2.6	0.5	0.9	-0.3
STRUCTURES	100.0	101.4	103.0	107.8	109.5	111.6	110.8
		1.4	1.6	4.7	1.6	1.9	-0.8
MACHINERY AND EQUIPMENT	100.0	98.9	93.6	92.1	90.7	89.7	90.5
		-1.1	-5.3	-1.6	-1.5	-1.2	0.9
BUSINESS INVESTMENT	100.0	102.0	101.4	102.1	103.9	105.3	103.9
		2.0	-0.5	0.6	1.8	1.4	-1.3
RESIDENTIAL STRUCTURES	100.0	100.8	102.8	104.9	107.5	108.9	112.9
		0.8	2.0	2.0	2.5	1.3	3.6
NON-RESIDENTIAL STRUCTURES	100.0	102.2	104.3	107.4	109.8	112.6	114.7
		2.2	2.1	2.9	2.3	2.5	1.9
MACHINERY AND EQUIPMENT	100.0	102.4	99.1	98.1	99.4	100.3	95.0
		2.4	-3.1	-1.0	1.2	0.9	-5.3
EXPORTS OF GOODS AND SERVICES	100.0	99.8	100.1	104.0	106.0	108.3	107.9
		-0.2	0.3	3.9	1.9	2.2	-0.3
EXPORTS TO OTHER COUNTRIES	100.0	100.1	99.9	104.7	107.1	109.4	109.0
		0.1	-0.2	4.9	2.2	2.2	-0.4
EXPORTS TO OTHER PROVINCES	100.0	99.6	100.4	103.4	104.9	107.1	106.9
		-0.4	0.8	3.0	1.5	2.1	-0.2
DEDUCT: IMPORTS OF GOODS AND SERVICES	100.0	101.8	102.4	106.1	108.2	108.6	106.5
		1.8	0.6	3.6	2.0	0.4	-1.9
IMPORTS FROM OTHER COUNTRIES	100.0	103.8	102.9	104.1	107.4	107.7	104.2
		3.8	-0.9	1.1	3.2	0.2	-3.2
IMPORTS FROM OTHER PROVINCES	100.0	99.8	101.8	107.9	108.9	109.4	108.6
		-0.2	2.0	6.0	1.0	0.5	-0.8
GDP AT MARKET PRICES	100.0	99.9	101.5	103.7	105.8	108.7	111.0
		-0.1	1.7	2.1	2.0	2.7	2.1
FINAL DOMESTIC DEMAND	100.0	101.4	102.9	105.1	107.0	109.2	110.6
		1.4	1.5	2.2	1.8	2.0	1.3

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MANITOBA ECONOMIC ACCOUNTS
TABLE 6

TABLE 7

REAL GROSS DOMESTIC PRODUCT BY INDUSTRY*
BASIC PRICES
1997 - 2003

	1997	1998	1999	2000	2001	2002	2003 Preliminary
			(Millions of Dollars, 1997 Prices)				
AGRICULTURE	1,239	1,453	1,450	1,604	1,375	1,425	1,491
		17.3	-0.2	10.6	-14.3	3.6	4.7
FORESTRY, FISHING & HUNTING	85	67	92	99	100	102	104
		-21.0	37.5	7.7	0.9	1.9	2.6
MINING, OIL & GAS EXTRACTION	616	615	544	662	665	606	580
		-0.3	-11.4	21.6	0.5	-8.9	-4.2
UTILITIES	1,103	1,030	974	1,015	1,023	977	861
		-6.7	-5.4	4.3	0.8	-4.5	-11.9
CONSTRUCTION	1,300	1,345	1,290	1,171	1,405	1,347	1,444
		3.5	-4.1	-9.3	20.0	-4.1	7.2
MANUFACTURING	3,691	3,821	3,603	3,903	3,919	3,992	4,084
		3.5	-5.7	8.3	0.4	1.9	2.3
WHOLESALE TRADE	1,596	1,781	1,843	1,894	1,905	2,047	2,077
		11.6	3.5	2.8	0.6	7.5	1.5
RETAIL TRADE	1,469	1,559	1,688	1,779	1,848	1,945	1,979
		6.2	8.3	5.4	3.9	5.2	1.8
TRANSPORTATION & WAREHOUSING	1,909	1,921	2,066	2,134	2,085	2,096	2,111
		0.7	7.5	3.3	-2.3	0.5	0.7
INFORMATION & CULTURAL INDUSTRIES & ARTS & ENTERTAINMENT	1,046	1,150	1,189	1,302	1,364	1,448	1,490
		9.9	3.4	9.5	4.8	6.2	2.9
FINANCE & INSURANCE & REAL ESTATE & RENTAL & LEASING	5,416	5,556	5,707	5,950	6,135	6,344	6,551
		2.6	2.7	4.2	3.1	3.4	3.3
PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES	657	712	813	774	771	764	775
		8.3	14.2	-4.8	-0.5	-0.8	1.4
MANAGEMENT OF COMPANIES & ENTERPRISES & ADMINISTRATIVE & OTHER SUPPORT	336	415	483	441	477	509	521
		23.4	16.3	-8.6	8.1	6.8	2.4
EDUCATION SERVICES	1,484	1,491	1,544	1,554	1,558	1,584	1,608
		0.5	3.5	0.7	0.3	1.6	1.5
HEALTH CARE & SOCIAL SERVICES	2,034	2,094	2,167	2,179	2,169	2,248	2,304
		3.0	3.5	0.6	-0.5	3.6	2.5
ACCOMMODATION AND FOOD SERVICES	657	681	659	803	786	780	771
		3.7	-3.2	21.8	-2.1	-0.8	-1.1
OTHER SERVICES	777	801	781	839	873	899	912
		3.1	-2.5	7.4	4.1	2.9	1.4
PUBLIC ADMINISTRATION	2,066	2,112	2,179	2,287	2,312	2,350	2,383
		2.2	3.2	5.0	1.1	1.7	1.4
GROSS DOMESTIC PRODUCT AT BASIC PRICES	**27,479**	**28,605**	**29,073**	**30,390**	**30,769**	**31,463**	**32,049**
		4.1	1.6	4.5	1.2	2.3	1.9

* BASED ON THE NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS)

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TABLE 8

REAL GROSS DOMESTIC PRODUCT BY INDUSTRY*
INDUSTRIAL SHARE
1997 - 2003

	1997	1998	1999	2000	2001	2002	2003 Preliminary
				(Percent Change)			
AGRICULTURE	4.5	5.1	5.0	5.3	4.5	4.5	4.7
FORESTRY, FISHING & HUNTING	0.3	0.2	0.3	0.3	0.3	0.3	0.3
MINING, OIL & GAS EXTRACTION	2.2	2.1	1.9	2.2	2.2	1.9	1.8
UTILITIES	4.0	3.6	3.3	3.3	3.3	3.1	2.7
CONSTRUCTION	4.7	4.7	4.4	3.9	4.6	4.3	4.5
MANUFACTURING	13.4	13.4	12.4	12.8	12.7	12.7	12.7
WHOLESALE TRADE	5.8	6.2	6.3	6.2	6.2	6.5	6.5
RETAIL TRADE	5.3	5.4	5.8	5.9	6.0	6.2	6.2
TRANSPORTATION & WAREHOUSING	6.9	6.7	7.1	7.0	6.8	6.7	6.6
INFORMATION & CULTURAL INDUSTRIES & ARTS & ENTERTAINMENT	3.8	4.0	4.1	4.3	4.4	4.6	4.6
FINANCE & INSURANCE & REAL ESTATE & RENTAL & LEASING	19.7	19.4	19.6	19.6	19.9	20.2	20.4
PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES	2.4	2.5	2.8	2.5	2.5	2.4	2.4
MANAGEMENT OF COMPANIES & ENTERPRISES & ADMINISTRATIVE & OTHER SUPPORT	1.2	1.5	1.7	1.5	1.5	1.6	1.6
EDUCATION SERVICES	5.4	5.2	5.3	5.1	5.1	5.0	5.0
HEALTH CARE & SOCIAL SERVICES	7.4	7.3	7.5	7.2	7.0	7.1	7.2
ACCOMMODATION AND FOOD SERVICES	2.4	2.4	2.3	2.6	2.6	2.5	2.4
OTHER SERVICES	2.8	2.8	2.7	2.8	2.8	2.9	2.8
PUBLIC ADMINISTRATION	7.5	7.4	7.5	7.5	7.5	7.5	7.4
GROSS DOMESTIC PRODUCT AT BASIC PRICES	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

* BASED ON THE NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS)

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MANITOBA ECONOMIC ACCOUNTS
TABLE 8

TABLE 9

REAL MANITOBA GROSS DOMESTIC PRODUCT EXPENDITURE-BASED
COMPARISON BETWEEN OCTOBER 2003 AND FEBRUARY 2004 PUBLICATIONS
1997 -2003

	1997	1998	1999	2000	2001	2002	2003 Preliminary
	(MILLIONS OF CHAINED 1997 DOLLARS)						
PERSONAL EXPENDITURE	0	0	-6	7	137	180	196
GOVERNMENT EXPENDITURE	0	0	147	166	71	25	43
GOVERNMENT INVESTMENT IN CAPITAL	0	0	26	7	42	24	47
GOVERNMENT INVESTMENT IN INVENTORIES	0	0	0	0	0	0	0
BUSINESS INVESTMENT	0	0	6	-91	55	20	33
BUSINESS INVESTMENT IN INVENTORIES	0	0	-101	-36	-200	-188	-63
EXPORTS OF GOODS AND SERVICES	0	0	103	330	159	668	655
EXPORTS TO OTHER COUNTRIES	0	0	18	161	-38	210	143
EXPORTS TO OTHER PROVINCES	0	0	85	168	199	461	519
DEDUCT: IMPORTS OF GOODS AND SERVICES	0	0	241	139	257	452	682
IMPORTS FROM OTHER COUNTRIES	0	0	-1	-316	126	300	464
IMPORTS FROM OTHER PROVINCES	0	0	245	456	141	163	230
STATISTICAL DISCREPANCY	-33	-111	-65	-89	109	-83	44
REAL GDP AT MARKET PRICES	-31	-102	-131	160	143	231	284
REAL FINAL DOMESTIC DEMAND	2	8	173	92	302	247	315

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TABLE 9

Manitoba